REMARKS

Claims 1-11 remain in the application, the claims having been editorially amended. Reconsideration of the application and allowance of all claims are respectfully requested in view of the above amendments and the following remarks.

The present invention is directed to a method and apparatus for ensuring that operations performed via a radio telephone and involving a credit card or other "identifier" are authorized. The particular application is that of a GSM phone where a SIM card is used, in conjunction with an external card reader. It is possible that a different person may attempt to use the phone and attached card reader, and it is also possible that a different credit card may be attempted. The present invention seeks to provide a way to prevent this from happening, if desired.

The invention stores somewhere in the telephone/reader assembly, during an initialization or "personalization" process, a calculated code derived from some operation involving both information read from two different cards, i.e., the SIM card read within the telephone and the credit card read from the attached card reader. If the blocking mode has been activated, when a user attempts to use the credit card via a reader attached to this telephone, the information from the SIM card and credit card are read and the code is calculated anew, and the newly-calculated code is compared to the stored code, and the transaction is permitted if there is a match. If the card reader is attached to a different mobile phone, or if a different credit card is used, the calculated and stored codes will not match and the transaction will be blocked.

The claims have been amended above to (1) broaden the claims by eliminating the means plus function language regarding the first and second readers, and (2) improve readability by making a number of editorial changes changing the scope of the claims.

The examiner has rejected all claims as unpatentable over the combined teachings of Hymel, Vehmas et al and Pinault. This rejection is respectfully traversed.

Hymel discloses a method for managing smart card data in association with a mobile telephone. The problem sought to be overcome is the use of plural different smart cards each having different data and data formats, and the solution is to store data relating to each of plural smart cards in respective memory areas of the mobile terminal. But there is no suggestion in this reference of calculating authorization codes from a combination of each smart card data and the mobile unit identifier to ensure that only specific cards can be authorized for use by this mobile terminal.

Vehmas et al is directed to an arrangement for using plural card readers with a radio telephone. However, as with Hymel, there is no discussion of calculating any authorization code to ensure that only cards pre-associated with the radio telephone may be used.

Pinault is directed to a method of increasing the security of a mobile telephone system, and the specific application is in a GSM telephone system where each phone includes a SIM card. It is common practice to insert a different person's SIM card into a GSM phone and that phone can then be used as if owned by the person associated with the SIM. Pinault provides an optional locking mode where this is prevented, by storing a locking code that is derived from a combination of information relating to the subscriber ID and telephone unit data, and then

performing a comparison when a SIM card is inserted to verify that this SIM card is authorized for use with this terminal.

Pinault is the only one of the applied references dealing with security. However, Pinault is not directed to the problem addressed by the present invention, and does not teach the claimed solution. Applying the teaching of Pinault to either or both of the other references would result in a system which would ensure that a telephone would only work with one SIM card. Information from the SIM card could be read and combined with information from the phone itself to obtain a code that could be compared with a stored code. But this would not result in the invention claimed. The present invention seeks to address problems associated with the attempted simultaneous use of two different cards in a combined telephone/card reader assembly. Note that the language of claim 1 refers to the first identifier as including first information read by a reader disposed in the radio terminal. The first identifier would be the SIM card, and the reader would be the circuitry for reading information from the SIM card in the mobile terminal in Pinault or in any of the other references. The claim then refers to a second identifier including second information read by a second reader associated with the terminal. There is ho second identifier or second reader in Pinault. Pinault only checks the first identifier (the SIM card) to see if its use is authorized. The other references include card readers, but there is no suggestion to authenticate their use, and there is certainly no suggestion in any of the references, taken alone or together, to authenticate a credit card use in conjunction with a particular mobile phone.

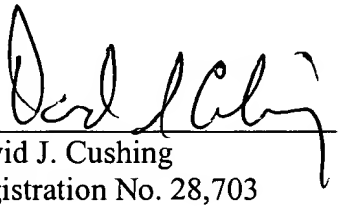
The same distinction holds with respect to the remaining independent claim 8.

For the above reasons, it is respectfully submitted that the invention defined in the present claims would not have been obvious to one of skill in the art, and allowance of all claims is respectfully requested.

If there are any issues remaining which the examiner believes could be resolved through an Examiner's Amendment or a telephone conference, the examiner is respectfully requested to contact the undersigned at the local exchange indicated below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,



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